

sent, designated Mr. CARDIN as Chairman of the Committee of the Whole.

The Acting Chairman, Mr. DICKS assumed the Chair; and after some time spent therein,

191.7 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following substitute amendment submitted by Mr. DE LA GARZA for the amendment, as modified, submitted by Mr. PENNY:

Substitute amendment submitted by Mr. DE LA GARZA :

Page 31, after line 4, add the following new paragraph:

"(4) INDIVIDUAL AND AREA CROP INSURANCE COVERAGE.—The Corporation shall allow approved insurance providers to offer to producers a plan of insurance that combines both individual yield coverage and area yield coverage at a premium rate determined by the provider, subject to the following conditions:

"(A) The individual yield coverage shall be equal to or greater than catastrophic risk protection, as described in subsection (b).

"(B) The combined policy shall include area yield coverage that is offered by Corporation or similar area coverage, as determined by the Corporation.

"(C) The Corporation shall provide reinsurance on the area yield portion of the combined policy at the request of the provider, except that the provider shall agree to pay to the producer any portion of the area yield and loss indemnity payment received from the Corporation or a commercial reinsurer that exceeds the individual indemnity payment made by the provider to the producer.

"(D) The Corporation shall pay a part of the premium equivalent to—

"(i) the amount authorized under subsection (e)(2) (except provisions regarding operating and administrative expenses); and

"(ii) the amount of operating and administrative expenses authorized by the Corporation for the area yield coverage portion of the combined policy.

"(E) The provider shall provide all underwriting services for the combined policy, including the determination of individual yield coverage premium rates, the terms and conditions of the policy, and the acceptance and classification of applicants into risk categories, subject to subparagraph (F).

"(F) The Corporation shall approve the combined policy unless the Corporation determines that the policy is not actuarially sound or that the interests of producers are not adequately protected."

Page 33, line 22, add after the period the following: "Beginning with the 1995 crop year, the Corporation shall establish for each insurable crop a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year."

Page 55, after line 12, insert the following new paragraphs:

"(4) PROHIBITION ON ASSIGNED YIELDS IN CERTAIN COUNTIES.—If the acreage of a crop in a county has increased by more than 100 percent since the 1987 crop year, a producer who produces that crop on a farm located in that county may not obtain an assigned yield under paragraph (3). Instead, the producer must provide detailed documentation of production costs, acres planted, and yield (as required by the Corporation) to become eligible for a noninsured assistance payment.

"(5) LIMITATION ON RECEIPT OF SUBSEQUENT ASSIGNED YIELD.—A producer who receives an assigned yield for the current year of a natural disaster because required production

records were not submitted to the local office of the Department shall not be eligible for an assigned yield for the year of the next natural disaster unless the required production records of the previous 1 or more years (as applicable) are provided to the local office.

"(6) YIELD VARIATIONS DUE TO DIFFERENT FARMING PRACTICES.—The Corporation shall ensure that noninsured crop disaster assistance accurately reflects significant yield variations due to different farming practices, such as between irrigated and nonirrigated acreage.

Page 63, strike line 6 and all that follows through line 5 on page 65.

Page 50, strike lines 9 through 11 and insert the following new clause:

"(ii) which is produced for food or fiber.

Page 18, strike line 7 and all that follows through line 7 on page 21, and insert the following new paragraph:

"(4) APPLICATION.—To participate in catastrophic risk protection, producers shall submit an application at the local office of the Department of Agriculture or to a private insurance provider approved by the Corporation.

Page 11, strike lines 8 through 11 and insert the following new paragraph:

(2) in subsection (c), by striking ", in which case the agent or broker" in the first sentence and all that follows through the period at the end of the second sentence and inserting the following: ", except that the rate established by the Board of reimburse approved insurance providers and agents for their administrative and operating costs shall not exceed, for the 1997 crop year, 29 percent of the premium used to define loss ratio under section 502, and for the 1998 and 1999 crops, such reimbursement rate shall not exceed 28 percent of the premium used to define loss ratio under section 502. Consistent with the provisions of section 506(p), the Board shall provide regulatory relief to such approved insurance providers and agents in an amount proportional to the reduction in the reimbursement rate established by the Board for the 1997, 1998, and 1999 crop years. No action shall be taken which would jeopardize program integrity, enhance opportunities for fraud or abuse, hinder program expansion or diminish quality of service to customers."

Page 21, line 13, strike "\$100 per producer per county." and insert "\$200 per producer per county up to a maximum of \$600 per producer for all counties in which a producer has insured crops."

Page 25, strike lines 8 through 11 and insert the following: "would reduce to less than \$200 the total amount of the administrative fees paid by the producer for 2 or more crops in the same county for which a lower level of coverage is obtained."

On page 65, strike line 6 and insert the following:

SEC. 14. GAO CROP INSURANCE PROVIDER STUDY.

The General Accounting Office shall, within 2 years of enactment, investigate the contractual relationship between the Federal Crop Insurance Corporation and approved insurance providers to determine the quality, costs and efficiency of the provision of multiperil crop insurance to producers of agricultural commodities covered in this Act. The study shall be completed in two parts. The first, to be completed within one year of enactment, shall examine the currently available data to make the determinations required by this section. The second part shall examine the changes that occur because of expansion of the program as participation increases.

This study shall include, but not be limited to, an investigation of providers' actual cost

of delivery of multiperil crop insurance for which providers receive reimbursement from the Corporation, cost differences for different provider firm sizes, and changes in cost resulting from expansion of the program. The study shall also compare delivery costs of multiperil crop insurance to other insurance coverage that the provider may sell and identify any cross-subsidization from federally reimbursed delivery to delivery costs of other insurance coverage.

The study shall assess, to the extent practicable, alternative methods of reimbursing delivery costs to providers. In addition, the study shall identify unnecessary expenditure, if any, required by the Corporation for compliance and program integrity.

In addition, the study shall include, but not be limited to, the provisions of the standard reinsurance agreement between the Corporation and approved providers including the risk transferred to Corporation under the terms of the agreement, the return on providers' capital, a determination of the return on capital relative to differences in provider firm size, and a determination of the return on providers' capital in multiperil crop insurance relative to other insurance coverage.

The study shall assess, to the extent practicable, the potential for provider firm concentration in the multiperil crop insurance industry and any economic distortions that might occur from such concentration.

In conducting this study, the General Accounting Office shall maintain the privacy of provider proprietary information.

The General Accounting Office shall have full powers to subpoena any required information from any provider firm.

Amendment, as modified, submitted by Mr. PENNY:

Page 6, line 13, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

(1) in the matter preceding the paragraphs, by inserting after "1.1," the following: "and on and after October 1, 1998, an overall projected loss ratio of not greater than 1.0;"

Page 46, line 4, insert after "operations," the following: "all other amounts collected by or on behalf of the Corporation,"

Page 46, strike lines 10 through 12 and insert the following:

"(c) EXPENDITURES FROM INSURANCE FUND.—In such aggregate amount as provided in advance in appropriation Acts, the Corporation may use amounts in the insurance fund to pay the following:

Page 11, strike lines 8 through 11 and insert the following new paragraph:

(2) in subsection (c), by striking ", in which case the agent or broker" in the first sentence and all that follows through the period at the end of the second sentence and inserting the following: ", except that the reimbursement rate established by the Board for such agents and brokers may not exceed 30 percent of the premium for each new sale and may not exceed 28 percent of the premium for the renewal of an insurance policy for a successive term;"

Page 17, line 12, strike "indemnified at 60 percent" and insert "indemnified at 56 percent"

Page 18, strike line 7 and all that follows through line 7 on page 21, and insert the following new paragraph:

"(4) APPLICATION.—To participate in catastrophic risk protection, producers shall submit an application at the local office of the Department of Agriculture or to a private insurance provider approved by the Corporation.

Page 21, line 13, strike "\$100 per producer per county." and insert "\$200 per producer per county up to a maximum of \$600 per producer for all counties in which a producer has insured crops."

Page 21, strike lines 20 through 25 and insert the following new subparagraph:

"(C) DEPOSIT OF FEES.—Administrative fees collected by an office of the Department of Agriculture or by a private insurance provider shall be deposited in the crop insurance fund established under section 516(b), to be available to the Corporation in such amounts as provided in advance in appropriation Acts.

Page 24, strike line 11 and all that follows through line 11 on page 25 and insert the following new paragraph:

"(2) ADMINISTRATIVE FEE REQUIRED.—If a producer elects to purchase buy-up coverage for a crop, the producer shall pay an administrative fee for such buy-up coverage. Subsection (b)(5) shall apply in determining the amount and use of the administrative fee or in determining whether to waive the administrative fee. If the producer has already paid the administrative fee for catastrophic risk protection for the same crop, the producer shall not be required to pay an additional administrative fee for buy-up coverage for that crop.

Page 29, line 3, insert after "1.1" the following: ", on and after October 1, 1995, and not greater than 1.0, on and after October 1, 1998".

Page 31, after line 4, add the following new paragraph:

"(4) INDIVIDUAL AND AREA CROP INSURANCE COVERAGE.—The Corporation shall allow approved insurance providers to offer to producers a plan of insurance that combines both individual yield coverage and area yield coverage at a premium rate determined by the provider, subject to the following conditions:

"(A) The individual yield coverage shall be equal to or greater than catastrophic risk protection, as described in subsection (b).

"(B) The combined policy shall include area yield coverage that is offered by the Corporation or similar area coverage, as determined by the Corporation.

"(C) The Corporation shall provide reinsurance on the area yield portion of the combined policy at the request of the provider, except that the provider shall agree to pay to the producer any portion of the area yield and loss indemnity payment received from the Corporation or a commercial reinsurer that exceeds the individual indemnity payment made by the provider to the producer.

"(D) The Corporation shall pay a part of the premium equivalent to—

"(i) the amount authorized under subsection (e)(2) (except provisions regarding operating and administrative expenses); and

"(ii) the amount of operating and administrative expenses authorized by the Corporation for the area yield coverage portion of the combined policy.

"(E) The provider shall provide all underwriting services for the combined policy, including the determination of individual yield coverage premium rates, the terms and conditions of the policy, and the acceptance and classification of applicants into risk categories, subject to subparagraph (F).

"(F) The Corporation shall approve the combined policy unless the Corporation determines that the policy is not actuarially sound or that the interests of producers are not adequately protected."

Page 33, line 22, add after the period the following: "Beginning with the 1995 crop year, the Corporation shall establish for each insurable crop a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year."

Page 53, after line 17, insert the following new paragraph:

"(4) EFFECT OF CONTRACT PAYMENTS.—A producer who receives a guaranteed payment for production, as opposed to delivery, of a

crop pursuant to a contract shall have the production of the producer adjusted upward by an amount equal to the difference between—

"(A) the amount of the production corresponding to the contract payment received; and

"(B) the amount of the production actually delivered by the producer under the contract.

Page 55, after line 12, insert the following new paragraphs:

"(4) PROHIBITION ON ASSIGNED YIELDS IN CERTAIN COUNTIES.—If the acreage of a crop in a county has increased by more than 100 percent since the 1987 crop year, a producer who produces that crop on a farm located in that county may not obtain an assigned yield under paragraph (3). Instead, the producer must provide detailed documentation of production costs, acres planted, and yield (as required by the Corporation) to become eligible for a noninsured assistance payment.

"(5) LIMITATION ON RECEIPT OF SUBSEQUENT ASSIGNED YIELD.—A producer who receives an assigned yield for the current year of a natural disaster because required production records were not submitted to the local office of the Department shall not be eligible for an assigned yield for the year of the next natural disaster unless the required production records of the previous 1 or more years (as applicable) are provided to the local office.

"(6) YIELD VARIATIONS DUE TO DIFFERENT FARMING PRACTICES.—The Corporation shall ensure that noninsured crop disaster assistance accurately reflects significant yield variations due to different farming practices, such as between irrigated and nonirrigated acreage.

Page 55, line 18, add after the period the following: "A producer who makes a claim for payment under this section shall be responsible for an administrative fee of \$50, which shall be deducted from the payment made to the producer."

Page 63, strike line 6 and all that follows through line 5 on page 65.

It was decided in the { Yeas 253
affirmative Nays 156

191.8

[Roll No. 377]

AYES—253

Abercrombie
Allard
Bachus (AL)
Baesler
Baker (CA)
Barcia
Barlow
Barrett (NE)
Bartlett
Barton
Bateman
Becerra
Bentley
Bereuter
Bevill
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Borski
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Callahan
Camp
Canady
Castle

Chapman
Clayton
Clinger
Clyburn
Coleman
Collins (GA)
Combust
Conyers
Cooper
Cramer
Crapo
Danner
de la Garza
DeLay
Derrick
Dickey
Dicks
Dingell
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards (TX)
Ehlers
Emerson
English
Everett
Ewing
Faleomavaega
(AS)
Fazio
Fields (LA)
Fields (TX)
Filner
Fish
Ford (MI)
Fowler

Franks (NJ)
Frost
Furse
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Grams
Grandy
Hall (TX)
Hamburg
Hamilton
Hansen
Hastert
Hastings
Hefner
Henger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoke
Holden
Houghton
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Ingilis

Inhofe
Istook
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kasich
Kennedy
Kennelly
Kim
King
Kingston
Klink
Kopetski
LaFalce
Lambert
Lancaster
LaRocco
Laughlin
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Livingston
Lloyd
Long
Lucas
Manton
Manzullo
Martinez
Matsui
McCollum
McCrery
McCurdy
McDade
McHale
McHugh
McKeon
McNulty
Meek

Menendez
Meyers
Michel
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Murtha
Neal (MA)
Neal (NC)
Nussle
Oliver
Ortiz
Oxley
Parker
Paxon
Payne (VA)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quillen
Rahall
Ravenel
Richardson
Ridge
Roberts
Roemer
Rogers
Rose
Rowland
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Scott
Serrano
Shuster
Sisisky
Skeen

Skelton
Slattery
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stenholm
Strickland
Stupak
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Volkmer
Vucanovich
Walker
Walsh
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)
Zeliff

NOES—156

Ackerman
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Armey
Barca
Barrett (WI)
Beilenson
Bilbray
Byrne
Cantwell
Cardin
Carr
Clay
Coble
Collins (IL)
Collins (MI)
Condit
Coppersmith
Costello
Cox
Coyne
Crane
Cunningham
Deal
DeLauro
Dellums
Deutsch
Dixon
Duncan
Durbin
Edwards (CA)
Engel
Eshoo
Evans
Farr
Fawell
Fingerhut
Flake
Frank (MA)
Franks (CT)
Gallo
Gejdenson
Goss
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hancock
Harman

Hefley
Hoekstra
Horn
Hoyer
Inslee
Jacobs
Johnson (CT)
Johnston
Kaptur
Kildee
Klecza
Klein
Klug
Knollenberg
Kolbe
Kreidler
Kyl
Lantos
Lazio
Lewis (GA)
Lowe
Maloney
Mann
Margolies-
Mezvinsky
Markey
Mazzoli
McCandless
McCloskey
McDermott
McInnis
McKinney
McMillan
Meehan
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Moorhead
Moran
Morella
Myers
Nadler
Norton (DC)
Oberstar
Obey
Orton
Owens
Packard
Pallone

Pastor
Payne (NJ)
Pelosi
Penny
Peterson (FL)
Petri
Porter
Poshard
Quinn
Ramstad
Rangel
Reed
Klug
Regula
Reynolds
Rohrabacher
Rostenkowski
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabon
Sanders
Sangmeister
Sawyer
Schenck
Schroeder
Schumer
Sensenbrenner
Sharp
Shays
Shepherd
Skaggs
Slaughter
Smith (MI)
Stark
Stearns
Stokes
Studds
Stump
Thomas (CA)
Torres
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Waters